(c) Motor Spirit and High Speed Diesel (Regulation of Supply, Distribution and Prevention of Malpractices) Order, 2005 and Kerosene (Restriction on Use and Fixation of Ceiling Price) Order, 1993 were accordingly amended for making provision regarding introduction of marker system in Kerosene to check adulteration. The Notifications containing these amendments were duly vetted by Ministry of Law and Justice before these were given effect by way of its publication in the Official Gazette.

Assistance for oil exploration

3804. SHRI B.K. HARIPRASAD: Will the Minister of PETROLEUM AND NATU RAL GAS be pleased to state:

whether compared to privately owned oil fields, the production from the fields of state owned oil companies like ONGC and Oil India limited have been declining, with-in-house efforts to enhance production not yielding any results;

if so, whether Government is considering to involve private players including foreign majors to develop these state owned fields towards increase in yields; and

what will be the projected quantum of yield from 162 blocks under exploration since 1999 under the NELP scheme?

THE MINISTER OF STATE IN THE MINISTRY OF PETROLEUM AND NATURAL GAS (SHRI DINSHA J. PATEL): (a) Most of the producing fields of national oil companies are old and have crossed their plateau period of production and entered the natural decline phase (a natural process in the production life of oil fields). It is pertinent to mention that the increase in production comes through either additional development in the existing fields or development of new fields, which can offset the decline from the old fields.

Oil companies are implementing proven new technologies under Improved Oil Recovery (IOR)/Enhanced Oil Recovery (EOR) projects such as various well techniques like drilling on horizontal and multilateral wells by side-tract in old wells, work over, hydro-fracturing acidisation etc. to augment oil production.

The estimated oil and gas production from the New Exploration Licencing Policy (NELP) Blocks as per approved Field Development Plan in the terminal year of XI Plan (2011-12) may be of the order of 30.28 Million Metric Tonnes (MMT) (Oil & Oil equivalent gas).

Crude refining capacity in the country

3805. SHRI B.K. HARIPRASAD: Will the Minister of PETROLEUM AND NATU RAL GAS be pleased to state:

whether India still needs to enhance its crude refining capacity both in public and private sector to cater to the increasing demands for petro products in the country;

whether the proposal to strip new refinery projects of income tax benefits would put further investments in new oil refinery projects in jeopardy; and

whether petroleum crude falls under the definition of mineral oil, the refining of which will be subjected to the deprival of Income Tax benefits under the current budget proposals?

THE MINISTER OF STATE IN THE MINISTRY OF PETROLEUM AND NATURAL GAS (SHRI DINSHA J. PATEL): (a) The refinery sector was delicensed in June, 1998.

Since then a refinery can be set up anywhere in India by private or public sector enterprises depending on the promoters' assessment of its viability.

The refining capacity of the refineries by the year 2011-12 is estimated to be 240.96 MMTPA (million metric tonnes per annum). The demand of petroleum products for terminal year (2011-12) of 11th Five Year Plan is estimated to be 131.8 MMT.

Higher refining capacity over & above the domestic requirements will boost export earnings from export of petroleum products through value addition, and will enhance energy security of the country.

(b) and (c) Yes, Sir. Given the country's increasing import dependence for crude oil & steps taken for promoting value addition in refining for making the country an export hub of petroleum products, the timeline of 01.04.2009 for withdrawal of the fiscal incentives will have repercussions on the country's new refineries and the E&P sector besides having a negative impact on the country's energy security efforts.

Oil refineries in the country

3806. SHRIMATILAL SARKAR: Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

how many oil refineries are there in the country;

whether Government is contemplating to curb the activities of any of these refineries' in any State; and

the details of planning of Government to increase the exploration of oil and natural gas?

THE MINISTER OF STATE IN THE MINISTRY OF PETROLEUM AND NATURAL GAS (SHRI DINSHA J. PATEL): (a) At present, there are 19 refineries operating in the country, out of which 17 are in Public Sector and two in Private Sector.

The refinery sector was delicensed in June, 1998. It is not the Central Government, but Public and Private Sector Enterprises who consider proposals for setting up/expansion of refineries depending on the assessment of its viability.

In order to increase exploration of oil and gas in the country, Government of India approved the New Exploration & Licensing Policy (NELP) in 1997 and it became effective in February, 1999. Six rounds of bids have so far been invited-under NELP, in which 162 exploration blocks have been awarded. Under NELP, 59 oil and gas discoveries have tdready been made in Cambay onland, North East Coast, Cauvery and Krishna-Godavari deepwater areas, for which, development plans by the operators, *viz.,* Cairn, Reliance Industries Limited (RIL) and Niko are in progress. Under seventh round of NELP which was launched on 13th December 2007, Government has offered 57 exploration blocks.

By end of Eleventh Plan period *i.e.* 2012, 80% of Indian sedimentary basin area is likely to be under exploration and by 2015, whole sedimentary basin has been targeted to be under exploration.

IT Park with Cochin Airport

3807. SHRI K. CHANDRAN PILLAI: Will the Minister of CIVIL AVIATION be pleased to state:

(a) whether the Cochin International Airport Limited (CIAL) proposed to build an IT Park adjoining to the CIAL airport;